



Washington State Health Care Authority
Public Employees Benefits Board

P.O. Box 42684 • Olympia, Washington 98504-2684
360-412-4200 • FAX 360-923-2608 • TTY 360-923-2701 • www.pebb.hca.wa.gov

April 21, 2006

Interested Parties,

We are sending you (our stakeholders) this message as follow up to the letter that we sent you on April 11, 2006. Enclosed is a new draft of proposed amendments to WAC 182-12-115 which reflect the enactment of 2nd SHB 2583 and changes to eligibility criteria adopted by the Public Employees' Benefits Board (PEBB) board members at their April 20th meeting.

The HCA will hold a public hearing and take testimony on both the attached new proposed amendatory language to WAC 182-12-115 and proposed amendatory language filed as WSR 06-06-080 filed on March 1, 2006. Written testimony may be submitted as indicated in the CR 102. The focus of the public hearing will be on the narrow question of whether the proposed changes reflect the provisions of 2nd SHB 2583 and the eligibility criteria adopted by the PEBB board.

We are also enclosing the CR 102 notices that have been filed for this rule making.

Sincerely,

Barbara Scott, Medical Program Specialist
Public Employees' Benefits Board Program
(360) 923-2642
bsco107@hca.wa.gov

Proposed changes to WAC 182-12-115 to implement PEBB eligibility changes enacted in 2nd SHB 2583 and eligibility criteria adopted by the PEBB board. Rule-making is being conducted pursuant to Administrative Order #06-01, filed as WSR 06-02-092 and WSR 06-06-080.

April 21, 2006

The following employees of state government, higher education, participating K-12 school districts, educational service districts, political subdivisions and employee organizations representing state civil service workers are eligible ~~((to apply))~~ for PEBB insurance coverage. ~~((For purposes of defining eligible employees of school districts and educational service districts, a collective bargaining agreement will supersede all definitions provided under this chapter 182-12 WAC only if approved by the HCA.))~~ A person whose employment situation can be described by more than one of the eligibility categories in subsections (1) through (7) shall have his or her eligibility determined solely by the criteria of the one category that most closely describes his or her employment situation.

(1) "Permanent employees." Those who work at least half-time per month and are expected to be employed for more than six months. Coverage begins on the first day of the month following the date of employment. If the date of employment is the first working day of a month, coverage begins on the date of employment.

(2) "Nonpermanent employees." Those who work at least half-time and are expected to be employed for no more than six months. Coverage begins on the first day of the seventh month following the date of employment.

(3) "Career Seasonal employees." Those who work at least half-time per month during a designated season for a minimum of three months but less than ~~((nine))~~ twelve months per year and who have an understanding of continued employment season after season. Coverage begins on the first day of the month following the date of employment. If the date of employment is the first working day of a month, coverage begins on the date of employment. Career seasonal employees who work at least half-time per month for a season that extends for nine or more months are eligible for the employer contribution during the break between seasons of employment. However, career seasonal employees who work at least half-time per month for less than nine months in a season are not eligible for the employer contribution during the break between seasons of employment but may be eligible to continue coverage by self-paying premiums.

(4) "~~((Career seasonal/))~~ Instructional year employees." Employees who work half-time or more on an instructional year (school year) or equivalent nine-month ~~((seasonal))~~ basis. Coverage begins on the first day of the month following the date of employment. If the date of employment is the first working day of the month, coverage begins on the date of employment. These employees are eligible to receive the employer contribution for insurance during the off-season following each instructional year period of ~~((seasonal))~~ employment. The provisions of this subsection do not apply to persons employed on a quarter-to-quarter or semester-to-semester contract basis.

(5)(a) "Part-time faculty" and "part-time academic employees." Employees who are employed on a quarter/semester to quarter/semester basis are eligible to apply for coverage beginning with the second consecutive quarter/semester of half-time or more employment at one or more state institutions of higher education including one or more college districts. Coverage begins on the first day of the month following the beginning of the second quarter/semester of half-time or more employment. If the first day of the second consecutive quarter/semester is the first working day of the month, coverage begins at the beginning of the second consecutive quarter/semester.

For the purpose of determining eligibility for part-time faculty and part-time academic employees, employers must:

(i) Consider spring and fall as consecutive quarters/semesters when ~~((determining))~~ **first establishing** eligibility; and

(ii) Determine "half-time or more employment" based on each institution's definition of "full-time"; and

(iii) At the beginning of each quarter/semester notify, in writing, all current and newly hired part-time faculty and part-time academic employees of their potential right to benefits under this **subsection**; and ~~((:))~~

~~(iv) ((Part-time faculty and part-time academic employees employed at more than one institution are responsible for notifying each employer quarterly, in writing, of the employee's multiple employment. In no case will retroactive coverage be permitted or employer contribution paid to HCA if an employee fails to inform all of his/her employing institutions about employment at all institutions within the current quarter; and~~

~~—(v)))~~ Where concurrent employment at more than one state higher education institution is used to determine total employment of half-time or more, the employing institutions will arrange to prorate the cost of the employer insurance contribution based on the employment at each institution. However, if the employee would be eligible by virtue of employment at one institution, that institution will pay the entire cost of the employer contribution regardless of other higher education employment. In cases where the cost of the contribution is prorated between institutions, one institution will forward the entire contribution monthly to HCA. ~~((; and))~~

Part-time faculty and part-time academic employees employed at more than one **state** institution **of higher education** are responsible for notifying each employer quarterly, in writing, of the employee's multiple employment. In no case will retroactive coverage be permitted or employer contribution paid to HCA if an employee fails to inform all of his/her employing institutions about employment at all institutions within the current quarter.

~~(((vi)))~~ Once enrolled, if a part-time faculty or part-time academic employee does not work at least a total of half-time in one or more state institutions of higher education, eligibility for the employer contribution ceases.

(b) Part-time academic employees of community and technical colleges ~~((eligibility for summer or off season benefits when the employee has))~~ who have a reasonable expectation of continued employment at ~~((a single))~~ one or more college ~~((district or multiple college))~~ districts shall be eligible for the employer contribution for benefits during the summer break if they meet the following conditions of this paragraph: ~~((:~~

~~—Effective May 1, 2005, through April 2006.))~~

(i) Part-time academic employees who work half-time or more in each instructional year quarter ~~((or equivalent nine month season for one or more academic years))~~ of an academic year, or equivalent nine-month season, in a single college district or multiple college districts, as determined from the payroll records of the employing community or technical college district(s), are eligible for the employer contribution for health benefits during the quarter or off season period immediately following the end of one academic year or equivalent nine-month season. ~~((Eligibility for summer or off season health benefits continues each summer quarter or off season thereafter following employment in an instructional year or equivalent nine month period of employment in a single college district or multiple college districts.))~~

(ii) For the purposes of this paragraph (b) ~~((section))~~:

(A) "Academic employee" has the meaning set forth in RCW [28B.50.489\(3\)](#).

(B) "Academic year" means fall, winter, and spring quarters in a community or technical college, as determined from the payroll records of the employing college district or college districts.

(C) "Equivalent nine-month seasonal basis" means a nine consecutive month period of employment at half-time or more by a single college district or multiple college districts, as determined from the payroll records of the employing college district(s).

(D) "Health benefits" means the particular medical and/or dental coverage in place at the end of the academic year or equivalent nine-month season. Changes to health benefits may be made only as set forth in chapter [182-08](#) WAC or during an annual open enrollment period.

(c) Part-time academic employees who have established eligibility, as determined from the payroll records of the employing community or technical college districts, for employer contributions for benefits and who have worked an average of half-time or more in each of the two preceding academic years, through employment at one or more community or technical college districts, are eligible for continuation of employer contributions for the subsequent summer period between the end of the Spring quarter and the beginning of the Fall quarter.

(d) Once a part-time academic employee meets the criteria in paragraph (c) of this subsection, the employee shall continue to receive uninterrupted employer contributions for benefits if the employee works at least three of the four quarters of the academic year with an average academic year workload of half-time or more. Benefits provided under this paragraph (6)(d) cease at the end of the academic year if this criteria is not met. Continuous benefits shall be reinstated once the employee reestablishes eligibility under paragraph (c) of this subsection.

(e) As used in paragraphs (c) and (d) of this subsection, "academic year" means the summer, fall, winter, and spring quarters. As used in this subsection, "academic employees" has the meaning provided in RCW 28B.50.489.

(f) To be eligible for maintenance of benefits through averaging pursuant to paragraphs (c) and (d) of this subsection, part-time academic employees must notify their employers of their potential eligibility.

(6) "Appointed and elected officials." Legislators are eligible to apply for coverage on the date their term begins. All other elected and full-time appointed officials of the legislative and executive branches of state government are eligible to apply for coverage on the date their term begins or they take the oath of office, whichever occurs first. Coverage for legislators begins on the first day of the month following the date their term begins. If the term begins on the first working day of the month, coverage begins on the first day of their term. Coverage begins for all other elected and full-time appointed officials of the legislative and executive branches of state government on the first day of the month following the date their term begins, or the first day of the month following the date they take the oath of office, whichever occurs first. If the term begins, or oath of office is taken, on the first working day of the month, coverage begins on the date the term begins, or the oath of office is taken.

(7) "Judges." Justices of the supreme court and judges of courts of appeals and the superior courts become eligible to apply for coverage on the date they take the oath of office. Coverage begins on the first day of the month following the date their term begins, or the first day of the month following the date they take oath of office, whichever occurs first. If the term begins, or oath of office is taken, on the first working day of a month, coverage begins on the date the term begins, or the oath of office is taken.